

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: PUBLIC SAFETY, FINANCE AND STRATEGIC SUPPORT COMMITTEE	FROM: HARRY S. MAVROGENES EXECUTIVE DIRECTOR
SUBJECT: SEE BELOW	DATE: DECEMBER 7, 2010

SUBJECT: OCTOBER 2010 AGENCY FINANCE REPORTS

Attached are the Redevelopment Agency's three financial reports for October 2010. Following is a summary of key aspects of the reports:

FINANCIAL STATEMENTS:

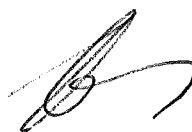
- The Fund Balance decreased \$6.2 million to \$79.3 million
- Cash decreased by a net amount of \$10.4 million
- Revenues and Other Sources were \$5.7 million
- Expenditures were \$12.0 million

CAPITAL COST REPORT:

- Fiscal Year to Date - Capital Program Recap
 - Expended: \$8.1 million
 - Encumbered: \$15.9 million
- Capital expenditures were \$2.9 million for the month of October

CASH FLOW PROJECTION:

- Cash Balance was \$72.6 million
- Cash in-flows were \$675,000
- Cash out-flows were \$6.3 million



HARRY S. MAVROGENES
Executive Director

Attachments

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: PUBLIC SAFETY, FINANCE AND STRATEGIC SUPPORT COMMITTEE	FROM: DAVID BAUM CHIEF FINANCIAL OFFICER
SUBJECT: FINANCIAL STATEMENTS – OCTOBER 2010	DATE: DECEMBER 7, 2010
APPROVED:	DATE:

RECOMMENDATION

Accept the Financial Statements for October 2010.

BACKGROUND

Governmental fund financial statements focus on the current financial condition, with particular emphasis on inflows and outflows of spendable resources. Information provided is useful for budgetary and financial decision making by identifying items such as proceeds from long-term debt, construction and other capital outlays, as well as debt service principal payments. The basic financial statements attached are interim in nature and do not report on some items that appear in the government-wide statement of activities in the Comprehensive Annual Financial Report (CAFR) issued at the close of the fiscal year. Examples of items not included in interim reports are depreciation, amortization of debt-related premiums, discounts and debt issuance costs.

These financial statements generally follow the fund financial statement format used in the CAFR. They are organized and operated on the basis of funds. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues and expenses are recognized when they are measurable and available/obligated. Due to the accrual method of accounting, there will be differences between the Financial Statements and the Cash Flow Projection that accompany this report. The Cash Flow Projection is a report on actual cash transactions that may vary from accrual transactions contained in the Financial Statement report.

BALANCE SHEET:

The governmental fund balance sheet (Attachment A) reports financial assets associated with governmental activities. Financial assets are those items such as cash and other assets that will eventually convert to cash, such as receivables and investments. Capital assets are not included because they will be used in operations and therefore are not spendable. Similarly, liabilities are reported only to the extent that they affect the government's current financial position. For example, governments do not provide resources for debt service payments until payment is due. Therefore, liabilities would not be recognized for either principal or interest payments relating to long-term debt.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE:

The governmental fund statement of revenues, expenditures and changes in fund balances (Attachment B) is used to report all transactions, events and interfund activities that increase or decrease the fund balance in the reporting period. Agency funding is primarily derived from tax increment revenue and bond proceeds. Other revenue sources from secondary activities include: the sale of Agency-owned properties, developer payments, commercial and residential rent payments, parking facility payments, special permit fees and other miscellaneous activities.

LONG TERM DEBT AND FIXED ASSETS EXHIBITS:

Outstanding long-term debt and fixed assets are reported on Attachments C and D, respectively.

BALANCE SHEET (Attachment A):

Major balance sheet transactions occurring in October are listed below:

Unrestricted Cash

Unrestricted Cash decreased by \$5.7 million. Cash activity contributing to the net change for the month is discussed in detail in the accompanying cash flow projection.

Restricted Cash

Restricted Cash decreased by a net amount of \$4.7 million. The net decrease is attributable to the Convention Center semi-annual debt service of \$11.7 million which is partially offset by the transfer in of \$5.0 million from the Housing Department to cover semi-annual debt service on Housing Tax Allocation Bonds and \$2.5 million Agency funding of a liquidity reserve pursuant to an amendment reimbursement agreement with JPMorgan Chase, the letter of credit provider on the Agency's subordinate variable rate revenue bonds.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE (Attachment B):

(1) REVENUES AND OTHER FINANCING SOURCES:

October revenues increased by \$5.7 million. The largest revenue transaction was a \$5.0 million transfer in from the Housing Department as mentioned above and \$726,000 in other revenues.

(2) EXPENDITURES AND OTHER FINANCING USES:

Expenditures of \$12.0 million included \$11.7 million for Convention Center semi-annual debt service. Negative capital project expenditures are a result of adjustment of prior fiscal year audit entries.

FUND BALANCE:

The Agency's overall fund balance for the month ending October 2010 was \$79.3 million. The decrease of \$6.3 million is a combination of items described in the Statement of Revenues, Expenditures and Changes in Fund Balance above: \$12.0 million in expenditures partially offset by \$5.7 million in revenues and other financing sources.



DAVID BAUM
Chief Financial Officer

Attachments

Attachment A

REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE Balance Sheet Governmental Funds October 31, 2010

ASSETS	General	Special Revenue	Debt Service		Capital Projects	Total	9/30/2010	Month Change
			Housing	Merged				
Cash and investments	\$ 1,086,180	\$ -	\$ -	\$ -	\$ 34,968,334	\$ 36,054,514	\$ 41,755,615	\$ (5,701,101)
Receivables:								
Accrued interest	-	-	-	-	4,140,603	4,140,603	4,173,047	(32,444)
Due from other funds	-	-	-	-	21,076	21,076	21,076	-
Due from the City of San Jose	-	21,076	-	-	37,103	58,179	22,222	35,957
Other	532,702	-	-	-	851,480	1,384,182	1,356,861	27,321
Loans receivable, net	-	-	-	-	28,658,567	28,658,567	28,723,462	(64,895)
Deposits	-	-	-	-	834,475	834,475	834,475	-
Restricted Assets:								
Cash and investments - bond proceeds	-	-	-	-	36,554,868	36,554,868	36,519,812	35,056
Cash and investments - other	-	-	19,928,002	33,432,077	3,318,190	56,678,269	61,382,165	(4,703,896)
TOTAL ASSETS	\$ 1,618,882	\$ 21,076	\$ 19,928,002	\$ 33,432,077	\$ 109,384,695	\$ 164,384,733	174,788,735	(10,404,002)
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	15,158	-	14,600	-	519,540	549,298	4,046,716	(3,497,417)
Deferred revenue/Restricted Cash Offset	-	-	-	-	32,676,875	32,676,875	32,752,038	(75,163)
Due to the City of San Jose	454,796	-	-	-	636,339	1,091,135	1,776,110	(684,975)
Due to the County of Santa Clara	-	-	-	-	45,183,521	45,183,521	45,183,521	-
Due to Other Gov't Agencies	-	-	-	-	3,648,518	3,648,518	3,648,518	-
Deposits, retentions, and other payables	9,400	-	-	-	1,866,517	1,875,917	1,778,357	97,560
Due to other funds	-	21,076	-	-	-	21,076	21,076	-
Total liabilities	479,354	21,076	14,600	-	84,531,310	85,046,340	89,206,336	(4,159,996)
Fund balances:								
Reserved for:								
Long-term receivables	512,744	-	-	-	4,108,664	4,621,408	4,641,834	(20,427)
Debt service	-	-	9,911,873	33,432,077	-	43,343,950	42,583,653	760,297
Low and moderate income housing activities	-	-	10,001,529	-	-	10,001,529	15,441,106	(5,439,578)
Encumbrances	89,571	-	-	-	15,943,931	16,033,502	19,099,287	(3,065,785)
Unres., Designated-Redevelopment Activities	537,213	-	-	-	4,800,790	5,338,003	3,816,517	1,521,486
Total fund balances	1,139,528	-	19,913,402	33,432,077	24,853,385	79,338,393	85,582,399	(6,244,006)
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,618,882	\$ 21,076	\$ 19,928,002	\$ 33,432,077	\$ 109,384,695	\$ 164,384,733	\$ 174,788,735	\$ (10,404,003)

REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the Period Ended October 31, 2010

	General	Special Revenue	Debt Service		Capital Projects	Total	9/30/2010	Month Change
			Housing	Merged				
REVENUES								
Tax increment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	17,583,275	-	20,157	17,603,432	12,602,423	5,001,009
Investment income	11,944	-	2,417	25,100	486,466	525,926	318,721	207,205
Grant revenue	-	-	-	-	15,662	15,662	15,662	0
Rent	302,285	-	-	-	116,128	418,414	275,752	142,662
Other	2,119	-	-	-	757,022	759,141	382,611	376,531
Total revenues	316,348	-	17,585,692	25,100	1,395,435	19,322,575	13,595,169	5,727,406
EXPENDITURES								
General government	1,933,929	-	-	-	-	1,933,929	1,431,922	502,007
Intergovernmental:								
Payments to the City of San Jose	-	-	219,991	-	-	219,991	-	219,991
Capital outlay:								
Project expenditures	-	-	-	-	7,695,991	7,695,991	8,537,779	(841,787)
Payments to the City of San Jose	-	-	-	-	371,400	371,400	255,400	116,000
Debt service:								
Principal repayment	-	-	11,405,000	57,950,000	1,580,000	70,935,000	62,845,000	8,090,000
Interest and fiscal charges	-	-	5,958,292	46,733,756	2,088,321	54,780,370	50,872,752	3,907,618
Total expenditures	1,933,929	-	17,583,283	104,683,756	11,735,713	135,936,681	123,942,853	11,993,828
DEFICIENCY OF REVENUES	(1,617,581)	-	2,409	(104,658,656)	(10,340,278)	(116,614,106)	(110,347,684)	(6,266,422)
UNDER EXPENDITURES								
OTHER FINANCING SOURCES (USES)								
Loan Proceeds	-	-	-	-	1,953,568	1,953,568	1,953,568	0
Sales of capital assets	-	-	-	-	4,500,000	4,500,000	4,500,000	0
Transfers in	-	-	-	14,131,956	-	14,131,956	11,631,956	2,500,000
Transfers out	-	-	-	-	(14,131,956)	(14,131,956)	(11,631,956)	(2,500,000)
Total other financing sources (uses)	-	-	-	14,131,956	(7,678,389)	6,453,568	6,453,567	0
CHANGE IN FUND BALANCES	(1,617,581)	-	2,409	(90,526,700)	(18,018,666)	(110,160,539)	(103,894,117)	(6,266,422)
FUND BALANCE - 6/30/2010	2,757,109	-	19,910,993	123,938,777	42,872,052	189,498,931	189,476,515	22,416
FUND BALANCE - 10/31/2010	\$ 1,139,528	\$ -	\$ 19,913,402	\$ 33,432,077	\$ 24,853,386	\$ 79,338,393	\$ 85,582,399	\$ (6,244,006)

Attachment C

Redevelopment Agency of the City of San Jose Financial Statements - Outstanding Long Term Debt

	Current Balance 9/30/2010	Principal Monthly Activity	Current Balance 10/31/2010
TAX ALLOCATION BONDS			
1993 Merged Area Refunding	32,835,000	0	32,835,000
1997 Merged	6,110,000	0	6,110,000
1997 Housing Series E	17,045,000	0	17,045,000
1999 Merged	12,920,000	0	12,920,000
2002 Merged	22,565,000	0	22,565,000
2003 Merged	127,545,000	0	127,545,000
2003 Housing Series J	37,750,000	0	37,750,000
2003 Housing Series K	6,975,000	0	6,975,000
2004 Merged Refunding	201,990,000	0	201,990,000
2005 Housing Series A	10,445,000	0	10,445,000
2005 Housing Series B	111,695,000	0	111,695,000
2005 Merged Refunding Series A/B	208,380,000	0	208,380,000
2006 Merged Series A-T/B	80,300,000	0	80,300,000
2006 Merged Refunding Series C, D	699,595,000	0	699,595,000
2007 Merged Refunding Series A-T	207,635,000	0	207,635,000
2008 Merged Series A/B	111,125,000	0	111,125,000
2010 Housing Series A	56,710,000	0	56,710,000
2010 Housing Series B	6,920,000	0	6,920,000
2010 Housing Series C	90,900,000	0	90,900,000
Total Tax Allocation Bonds	2,049,440,000	0	2,049,440,000
OTHER LONG TERM DEBT			
1996 Merged Series A & B	48,000,000	0	48,000,000
2003 Merged Revenue Series A & B	48,870,000	0	48,870,000
4th Street Parking Revenue, Series 2001A	35,935,000	0	35,935,000
2001 Convention Center Series F & G	145,895,000	(8,090,000)	137,805,000
HUD 108 Note Payable	31,420,000	0	31,420,000
CSCDA CRA/ERAF Loan ('05 & '06)	20,735,000	0	20,735,000
CSJ General Purpose Parking Fund Loan	10,164,899	0	10,164,899
Compensated Absence Liability	1,536,664	0	1,536,664
Other Notes Payable	9,022,388	0	9,022,388
City Loan (SERAF)	63,005,568	0	63,005,568
Total Other Long Term Debt	414,584,519	(8,090,000)	406,494,519
TOTAL LONG TERM DEBT	2,464,024,519	(8,090,000)	2,455,934,519

Attachment D

San Jose Redevelopment Agency Financial Statements - Fixed Assets

	Current Balance 9/30/2010	Monthly Activity-Net	Current Balance 10/31/2010
Fixed Assets			
Land	133,124,617	1,350	133,125,967
Buildings & Public Improvement:	185,582,399	770,386	186,352,785
Leasehold Improvements	1,476,588		1,476,588
Construction in Progress	18,925,126	33,430	18,958,556
Equipment	478,418		478,418
Total Fixed Assets	<u>339,587,146</u>	<u>805,166</u>	<u>340,392,312</u>

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: PUBLIC SAFETY, FINANCE AND STRATEGIC SUPPORT COMMITTEE	FROM: DAVID BAUM CHIEF FINANCIAL OFFICER
SUBJECT: CAPITAL COST REPORT – OCTOBER 2010	DATE: DECEMBER 7, 2010
APPROVED:	DATE:

RECOMMENDATION

Accept the Capital Cost Report for October 2010.

BACKGROUND

The Capital Cost Report (Attachment A) contains a cost summary for each of the 13 budgeted Redevelopment Project Areas and a total summary for the Agency. The report is updated monthly to reflect year-to-date expenditures and encumbrance balances, as compared to the amount appropriated by the Agency Board. The cost summary components are:

1. Column A: Total Funds Available; reflects each Project Area's adopted budget, rebudgets and budget adjustments as of the reporting month's close (October 31, 2010), and Carryover Encumbrances reflecting contractual commitments of prior years' outstanding funds (June 30, 2010).
2. Column B: Total Year-to-Date Expenditures captures the total amount expended from the start of the current fiscal year (July 1, 2010) through the reporting month's closing date (October 31, 2010). Negative current month expenditures on certain project lines are a result of adjustment and/or reclassification of prior month entries to the correct project lines.
3. Column C: Encumbrance Balance represents the outstanding contractual commitments as of October 31, 2010. The monthly appropriation balance report and unliquidated encumbrance report are the sources for this information.

4. Column D: Remaining Funds Available indicates the amount available to spend by appropriation for each Project Area. The year-to-date Expenditures (Column B) and the Encumbrance Balance (Column C) are subtracted from the Total Funds Available (Column A), yielding the remaining funds available in the current year.

Provided in the Capital Cost Report are the total City and Agency project expenditures from July 1, 1977, through October 31, 2010, for current year budgeted projects and the percentage of total project expenditures to date in comparison to total project budget and non-redevelopment funding sources.

ANALYSIS

Capital expenditures for October totaled \$2.9 million. This amount varies from the amount reported on the Cash Flow because the Capital Cost report uses the accrual method of accounting. Major capital project expenditures for October include:

- | | |
|-------------|--|
| \$640,000 | Payment to Garden City Construction, Inc. in connection with the Civic Auditorium Phase II project; |
| \$536,000 | Payment to Urban Markets, LLC in connection with the San Pedro Square Urban Market project; |
| \$116,000 | Payment to Garden City Construction, Inc. in connection with the Civic Auditorium Phase II project; |
| \$116,000 | Project Services Memorandum for Improvement District 99-218SJ deferral of Assessments Fiscal Year 2010-2011; |
| \$1,149,000 | Direct and indirect operating costs associated with capital projects. |



DAVID BAUM
Chief Financial Officer

Attachment

October, 2010 (FY10-11)

Attachment A

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

CAPITAL COST REPORT

REDEVELOPMENT AREA SUMMARY

Total Project Areas/Programs	(A)				(B)	(C)	(D)
	Adopted Budget 2010-11	C/O Encumbrance 07/01/10	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available
Century Center	10,823	73,177	84,000	0	1,117	14,036	68,847
Edenvale	1,762,008	173,992	1,936,000	148,934	456,672	396,411	1,082,917
Julian/Stockton	3,418,589	159,411	3,578,000	0	2,247	189,161	3,386,592
Market Gateway	0	49,978	49,978	0	49,469	509	0
Merged Area Impact Program	12,494,677	9,880,149	22,374,826	722,058	1,393,397	10,615,088	10,366,341
Neighborhood Investment Program	1,118,073	556,628	1,674,701	28,352	116,956	1,089,158	468,587
Strong Neighborhoods Initiative	2,856,721	934,018	3,790,739	53,557	363,327	660,818	2,766,594
Park Center Plaza	1,163,200	3,586,900	4,750,100	805,553	1,934,960	2,549,179	265,961
Rincon de los Esteros	800,000	0	800,000	0	0	0	800,000
San Antonio Plaza	396,465	3,535	400,000	0	0	3,535	396,465
Direct & Indirect Operating Cost	11,581,204	502,393	12,083,597	1,149,997	3,749,245	419,386	7,914,966
Totals:	35,601,760	15,920,180	51,521,940	2,908,451	8,067,389	15,937,281	27,517,270

October, 2010 (FY10-11)

CENTURY CENTER REDEVELOPMENT AREA
CAPITAL COST REPORT

Agency Fund: 065

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	(A)		(B)		(C)		(D)
									Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available Current Year		
100,000	742,988	842,988	760,105	90%	1 Fountain Alley Parking Lot	0757	10,823	73,177	84,000	0	1,117	14,036	68,847		
					TOTALS		10,823	73,177	84,000	0	1,117	14,036	68,847		

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

October, 2010 (FY10-11)

**EDENVALE REDEVELOPMENT AREA
CAPITAL COST REPORT**

Agency Fund: 066

Original* Project* Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	(A)			(B)		(C)		(D)
							Adopted Budget 2010-11	C/O Encumbrance July 2010	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available Current Year	
15,900,000	10,658,341	26,558,341	26,558,341	100%	1 Assessment District/Interchange Impvts.	0520	116,000	0	116,000	116,000	0	0	0	
176,400	771,600	948,000	948,000	100%	2 IDT Lease	0864	176,000	0	176,000	0	176,000	0	0	
2,200,000	677,003	2,877,003	2,631,003	91%	3 BioCenter: Equipment Acquisitions and Tenant Improvements	0865	246,000	0	246,000	0	0	0	246,000	
2,000,000	2,371,000	4,371,000	3,435,000	79%	4 Edenvale Emerging Technologies Fund	0892	836,000	100,000	936,000	0	0	100,000	836,000	
810,000	1,262,136	2,072,136	1,774,808	86%	5 BioCenter Lease	0914	388,008	73,992	462,000	32,934	184,672	296,411	917	
TOTALS							1,762,008	173,992	1,936,000	148,934	456,672	396,411	1,082,917	

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

JULIAN STOCKTON REDEVELOPMENT AREA
CAPITAL COST REPORT

Agency Fund: 068

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	(C) Encumbrance Balance	(D) Remaining Funds Available Current Year
26,120,000	-878,726	25,241,274	21,665,521	86%	1 North San Pedro Proposed Housing/	0756	3,418,589	159,411	3,578,000	0	2,247	189,161	3,386,592
					TOTALS		3,418,589	159,411	3,578,000	0	2,247	189,161	3,386,592

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or an Owner Participation Agreement (OPA).

October, 2010 (FY10-11)

MARKET GATEWAY REDEVELOPMENT AREA
CAPITAL COST REPORT

Agency Fund: 069

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	(A)		(B)		(C)		(D)	
									Total Funds Available 2010-11	C/O Encumbrance July 2010	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available Current Year		
38,457,048	39,169,325	77,626,373	77,625,864	100%	1 California Theatre	0078	0	49,978	49,978	49,978	0	49,469	509	0		
					TOTALS		0	49,978	49,978	49,978	0	49,469	509	0		

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

**MERGED AREA IMPACT PROGRAM
CAPITAL COST REPORT**

Agency Fund: 090

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available Current Year
					1 San Jose Downtown Association	0087	495,000	0	495,000	0	155,900	339,100	0
5,171,539	4,215,000	9,386,539	9,047,439	96%									
					2 Façade Improvement Program	0089	420,375	278,625	699,000	0	22,267	254,437	422,297
9,047,924	2,354,330	11,402,254	10,725,521	94%									
					3 Misc. Public Improvement	0168	228,790	138,210	367,000	19,929	22,098	138,457	206,445
390,659	1,744,001	2,134,660	1,789,758	84%									
					4 Automatic Public Toilets	0284	586,145	1,855	588,000	833	4,144	500,000	83,856
8,523,579	-2,036,660	6,486,919	5,903,063	91%									
					6 City Improvements	0395	4,657,762	0	4,657,762	0	0	0	4,657,762
21,000,000	32,622,316	53,622,316	48,964,554	91%									
					7 Retail Strategy	0506	0	136,000	136,000	5,636	8,984	127,016	0
25,450,000	-17,164,762	8,285,238	8,158,222	98%									
					8 Blight Abatement and Public Property Mgmt	0676	122,441	0	122,441	0	1,814	0	120,627
1,329,520	6,544,006	7,873,526	7,752,899	98%									
					9 Assets Management	0677	517,538	72,462	590,000	20,548	45,494	88,226	456,280
4,666,866	5,330,195	9,997,061	9,452,555	95%									
					10 Downtown Mixed Use Projects	0729	0	1,440,433	1,440,433	0	0	1,440,433	0
345,000	18,311,684	18,656,684	17,216,251	92%									
					11 Mixed Use Project Area Acquisitions	0792	32,573	0	32,573	0	0	26,767	5,806
5,000,000	-707,327	4,292,673	4,250,100	99%									
					12 4th St. Prkg.Garage Marketing & Tenant Improvements	0793	0	265,882	265,882	0	0	265,882	0
2,000,000	451,670	2,451,670	2,185,788	89%									
					13 OEA Audit Services	0837	58,494	0	58,494	0	0	0	58,494
100,000	660,716	760,716	702,222	92%									
					14 Litigation Services/Reserve	0838	250,000	0	250,000	0	0	0	250,000
635,000	4,053,377	4,688,377	4,438,377	95%									
					15 Real Estate and Relocation Services	0839	274,182	240,818	515,000	2,716	6,800	233,198	275,002
1,000,000	1,264,018	2,264,018	1,755,818	78%									
					16 Downtown Business Improvement Pool	0844	54,930	20,070	75,000	2,040	8,440	20,070	46,490
15,208,484	-10,867,231	4,341,253	4,274,693	98%									
					17 Convention Center Improvements	0848	0	0	0	-330	0	0	0
500,000	7,674,080	8,174,080	8,174,080	100%									
					18 Downtown Ice Rink	0851	155,000	0	155,000	0	0	0	155,000
485,000	1,092,989	1,577,989	1,422,989	90%									
					19 Land Banking for Future Development	0855	1,617,671	408,329	2,026,000	30,350	102,718	340,957	1,582,325
16,230,000	13,036,841	29,266,841	27,343,560	93%									
					20 City Planning Code Enforcement Services	0856	117,195	0	117,195	0	0	0	117,195
396,297	1,244,023	1,640,320	1,523,125	93%									
					21 Downtown Streetscape	0870	0	55,828	55,828	0	6,545	49,283	0
2,000,000	241,828	2,241,828	2,192,545	98%									
					22 Competitive Art Capital Fund	0879	103,429	7,571	111,000	12,000	61,713	48,892	395
600,000	225,414	825,414	776,127	94%									

**MERGED AREA IMPACT PROGRAM
CAPITAL COST REPORT**

Agency Fund: 090

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	(A)			(B)		(C)		(D)
							Adopted Budget 2010-11	C/O Encumbrance July 2010	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available Current Year	
800,000	-4,216	795,784	385,784	48%	23 Project Support Studies	0888	12,650	397,350	410,000	0	0	408,448	1,553	
100,000	205,868	305,868	255,868	84%	24 City Auditor Services	0889	50,000	0	50,000	0	0	0	50,000	
400,000	7,192,790	7,592,790	7,211,230	95%	25 Autumn Street Infrastructure Funding Plan	0898	91,867	308,133	400,000	2,256	18,440	332,883	48,678	
200,000		200,000	30,000	15%	26 African-American Community Center Feasibility Study	0900	0	170,000	170,000	0	0	170,000	0	
1,000,000	16,365,090	17,365,090	17,119,127	99%	27 Convention Ctr Expansion Phase I	0903	29,100	216,900	246,000	36	36	147,000	98,964	
2,400,556	-541,964	1,858,592	1,803,592	97%	28 1st ACT Small Wonders	0910	50,000	5,000	55,000	0	0	5,000	50,000	
3,305,183	4,216,763	7,521,946	7,392,803	98%	29 Industrial Work Program Implementation	0918	106,000	40,000	146,000	16,500	16,857	40,000	89,143	
500,000	-120,725	379,275	279,275	74%	30 Public Education and Outreach	0936	50,000	50,000	100,000	0	0	50,000	50,000	
150,000	204,799	354,799	275,781	78%	31 Arena Employee Parking	0937	150,000	0	150,000	36,835	70,982	26,267	52,751	
2,500,000	-615,000	1,885,000	1,085,000	58%	32 Clean Tech Jobs Investment Fund	0939	0	800,000	800,000	0	0	800,000	0	
1,500,000	-165,000	1,335,000	312,500	23%	33 Emerging Technologies Fund	0944	835,000	187,500	1,022,500	0	0	187,500	835,000	
2,125,000	3,961,734	6,086,734	2,183,048	36%	34 San Pedro Square Urban Market	0947	68,525	4,483,418	4,551,943	535,681	648,257	3,835,161	68,525	
500,000	20,971	520,971	213,751	41%	35 Plan Amendment Process	0948	210,066	97,934	308,000	0	780	93,839	213,381	
600,000	375,097	975,097	607,212	62%	36 Municipal Stadium	0953	352,400	15,600	368,000	116	116	354,308	13,576	
766,000	570,169	1,336,169	980,182	73%	37 San Jose Innovation Center - Lease	0957	504,769	42,231	547,000	39,113	191,013	291,965	64,022	
100,000	-100,000	0	0		38 HP Parking Lot Feasibility Study	0958	0	0	0	-2,200	0	0	0	
292,775		292,775	0	0%	39 GCO Transitional Cost	0959	292,775	0	292,775	0	0		292,775	
					TOTALS		12,494,677	9,880,149	22,374,826	722,058	1,393,397	10,615,088	10,366,341	

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

October, 2010 (FY10-11)

**NEIGHBORHOOD BUSINESS INVESTMENT PROGRAM
CAPITAL COST REPORT**

Agency Fund: 075

Original Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available Current Year
5,525,000	47,704,172	53,229,172	53,109,172	100%	3 Story Road: King and Story Implementation	0480	26,303	93,697	120,000	0	0	93,697	26,303
500,000	365,704	134,296	108,063	80%	4 The Alameda: Parking Solutions	0925	46,200		46,200	14,031	19,967	24,031	2,202
50,000	2,428,717	2,478,717	2,103,101	85%	5 Japantown: Corporation Yard	0688	207,795	168,205	376,000	0	386	168,205	207,410
39,600	138,300	177,900	140,430	79%	7 Japantown: Parking Lot Lease	0905	55,300	200	55,500	3,606	18,030	25,442	12,028
208,336	2,150,336	2,358,672	2,272,419	96%	8 NBD - Program Operations	0691	79,787	33,213	113,000	10,715	26,747	86,253	0
743,000	6,536,241	7,279,241	6,490,391	89%	9 NBD - Facade Improvements	0477	632,245	173,755	806,000	0	17,150	638,648	150,202
150,000	531,657	681,657	608,333	89%	10 NBD - Landscape Improvement	0852	20,443	87,557	108,000	0	34,676	52,882	20,443
50,000	0	50,000	0	0%	12 NBD- Implementation & Opportunity Sites	0961	50,000	0	50,000	0	0		50,000
TOTALS							1,118,073	556,628	1,674,701	28,352	116,956	1,089,158	468,587

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

October, 2010 (FY10-11)

STRONG NEIGHBORHOODS INITIATIVE AREAS
CAPITAL COST REPORT

Agency Fund: 056

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	(A)			(B)		(C)		(D)
							Adopted Budget 2010-11	C/O Encumbrance July 2010	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance	Remaining Funds Available Current Year	
3,745,000	329,520	4,074,520	3,984,520	98%	3 SNI - Five Wounds/Brookwood Terrace	0798	90,000	0	90,000	0	0	0	90,000	
				100%		0799	0	100,000	100,000	0	100,000	0	0	
2,360,000	-16,756	2,343,244	2,343,244		5 SNI - East Valley/680 Communities	0800	214,000	0	214,000	0	332	95,556	118,113	
2,090,000	-761,379	1,328,621	1,114,952	84%		0801	16,211	499,174	515,385	33,363	69,832	427,493	18,061	
990,000	18,406,206	19,396,206	18,950,653	98%	7 SNI - Greater Gardner	0802	0	111,400	111,400	0	111,400	0	0	
4,795,000	-660,572	4,134,428	4,134,428	100%		0803	0	22,500	22,500	0	0	0	22,500	
1,880,000	1,558,274	3,438,274	3,415,774	99%	11 SNI - Washington	0806	113,000	23,000	136,000	0	0	23,000	113,000	
4,920,000	-911,365	4,008,635	3,872,035	97%		0807	3,421	127,579	131,000	0	16,000	111,579	3,421	
2,334,000	-453,015	1,880,985	1,765,985	94%	13 SNI - Winchester	0808	0	44,000	44,000	0	44,000	0	0	
4,600,000	-1,130,386	3,469,614	3,469,614	100%		0809	611,155	0	611,155	0	0	0	611,155	
5,120,000	3,067,707	8,187,707	7,576,552	93%	15 SNI - Outreach and Training	0811	12,635	6,365	19,000	1,605	3,175	3,190	12,635	
1,155,000	-586,947	568,053	552,228	97%		0830	950,000		950,000	0	0		950,000	
910,000	4,343,828	5,253,828	4,303,828	82%	18 SNI - Spartan/Keyes	0831	34,000	0	34,000	18,589	18,589	0	15,411	
3,405,000	-640,957	2,764,043	2,748,632	99%		0853	704,243	0	704,243	0	0	0	704,243	
1,026,853	5,368,251	6,395,104	5,690,861	89%	22 SNI - City Attorney Code Enforcement	0854	108,056	0	108,056	0	0	0	108,056	
376,894	1,543,814	1,920,708	1,812,652	94%										
TOTALS						2,856,721	934,018	3,790,739	53,557	363,327	660,818	2,766,594		

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

October, 2010 (FY10-11)

PARK CENTER REDEVELOPMENT AREA
CAPITAL COST REPORT

Agency Fund: 050

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	(A) Total Funds Available 2010-11	Current Month Expenditures October 2010	(B) Total Year-to-Date Expenditures	(C) Encumbrance Balance	(D) Remaining Funds Available Current Year
38,624	370,885	409,509	300,521	73%	1 Adobe: Water Monitoring	0890	69,976	67,124	137,100	12,191	28,111	39,014	69,976
200,000	11,781,672	11,981,672	9,366,021	78%	2 Civic Auditorium	0874	993,224	3,519,776	4,513,000	793,363	1,897,349	2,449,446	166,205
500,000	400,000	100,000	9,500	10%	3 Montgomery Theatre	0949	100,000		100,000	0	9,500	60,720	29,780
					TOTALS		1,163,200	3,586,900	4,750,100	805,553	1,934,960	2,549,179	265,961

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

October, 2010 (FY10-11)

RINCON DE LOS ESTEROS REDEVELOPMENT AREA
CAPITAL COST REPORT

Agency Fund: 071

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	(A)		(B)		(C)		(D) Remaining Funds Available Current Year
									Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	Encumbrance Balance			
1,000,000	-200,000	800,000	0	0%	1 Emerging Technologies Fund	0960	800,000		800,000	0	0	0	0	800,000	
					TOTALS		800,000	0	800,000	0	0	0	0	800,000	

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

October, 2010 (FY10-11)

SAN ANTONIO REDEVELOPMENT AREA
CAPITAL COST REPORT

Agency Fund: 073

Original* Project Budget	Total Adjustments	Current Project Budget	Total Proj.Exp. 7/77-10/10	% Total Budget Expended	Project	Appro. Number	Adopted Budget 2010-11	C/O Encumbrance July 2010	Total Funds Available 2010-11	Current Month Expenditures October 2010	Total Year-to-Date Expenditures	(C) Encumbrance Balance	(D) Remaining Funds Available Current Year
270,000	444,438	714,438	314,438	44%	1 Block 3: Central Place Parking Garage	0940	396,465	3,535	400,000	0	0	3,535	396,465
					TOTALS		396,465	3,535	400,000	0	0	3,535	396,465

* Amount represents total project budget at time of construction contract award, or adoption of Disposition and Development Agreement (DDA) or Development Agreement (DA) or an Owner Participation Agreement (OPA).

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: PUBLIC SAFETY, FINANCE AND STRATEGIC SUPPORT COMMITTEE	FROM: DAVID BAUM CHIEF FINANCIAL OFFICER
SUBJECT: CASH FLOW PROJECTION – OCTOBER 2010	DATE: DECEMBER 7, 2010
APPROVED:	DATE:

RECOMMENDATION

Accept the Cash Flow Projection for October 2010.

BACKGROUND

The attached Cash Flow Projection is a forecast of expected cash receipts and payments for FY 2010-2011. This document is also used by the City's Finance Treasury Division to facilitate its investment decisions in investing the Agency's money sent to the City's Cash and Investment Pool. These projections are subject to change due to internal and external circumstances, such as changing economic conditions, which may affect revenues and/or expenditures.

The figures in the Cash Flow Projection can be expected to differ from the figures in the Adopted Budget. For example, the total on the Capital Projects Expenditure line item in the Cash Flow Projection will not equal the total of the Capital Expenditures in the Adopted Budget, because the capital budget primarily tracks encumbrances (commitments) rather than cash payments. The budget shows the full amount of a contract in the year awarded while the Cash Flow Projection shows payments made over the life of the contract which can extend beyond a single fiscal year.

In addition, the figures in the actual columns of the Cash Flow Projection differ from the financial statements due to the method of recognizing revenues and expenditures. The figures reported in the Cash Flow Projections are actual cash transactions, whereas the financial statements are based on accrual method of accounting whereby revenues and expenditures are recognized when earned and incurred regardless of timing of receipts and disbursements.

The Cash Flow Projection covers one fiscal year. Much of the information is dependent upon timing of contract awards, bond issues and other unscheduled events, so the projection is subject to change, particularly in the later months of the fiscal year. For guiding the City's Treasury Division on investments, earlier months of the projection provide the most pertinent information.

ANALYSIS

The Agency's cash and investments balance decreased by a net amount of \$5.7 million in October 2010, ending the month at \$72.6 million. Cash receipts include \$550,000 in miscellaneous income, which includes rent and other revenue participation payments; and \$126,000 in interest income (different from the Financial Statements that use the accrual method of accounting and recognize interest as earned as opposed to when received).

Cash disbursements include \$2.5 million transferred to JP Morgan Chase Bank for liquidity reserve; \$2.1 million in capital project expenditures; \$1.3 million in capital direct and indirect operating costs; and \$368,000 in general fund operating costs. Cash outlay may differ from the accompanying Financial Statements and Capital Cost Report that utilize the accrual method of accounting.

Major capital project cash expenditures include \$576,000 paid to Garden City Construction for the Civic Auditorium Phase II project; \$482,000 paid to Urban Markets, LLC for the San Pedro Square Urban Market project; and \$188,000 transferred to the City of San Jose per Project Services Memorandum in connection with the Julian Street Realignment project. Differences between these amounts and the amounts reported on the accompanying cost report may be attributable to the 10% retention customarily withheld on construction payments or timing differences resulting from expenses recorded at the end of the month but not paid until the following month.



DAVID BAUM
Chief Financial Officer

Attachment

REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE												
Cash Flow Projections for Fiscal Year 2010-2011												
Cash and Investment												
(Dollars Expressed in Thousands)												
	ACTUAL					FORECAST						
	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
CASH AND INVESTMENTS:												
Beginning Balance	\$ 100,623	\$ 96,141	\$ 80,350	\$ 78,276	\$ 72,609	\$ 63,716	\$ 56,326	\$ 54,523	\$ 46,813	\$ 37,887	\$ 39,532	\$ 40,811
Cash Receipts - Sources												
Tax Increments	-	-	-	-	17,416	53,017	21,795	-	17,416	52,985	-	21,698
Supplemental Assessments	-	-	-	-	189	-	553	-	344	582	384	947
Interest Income	-	-	52	126	-	-	141	-	-	95	-	-
Interest Income (Other)	5	3	224	-	-	-	-	-	-	-	-	-
Return from Bond Trustee	-	-	-	-	-	-	-	-	-	-	-	-
101 San Fernando Land Sale	4,500	-	-	-	-	-	-	-	-	-	-	-
Porter Stock Insurance Proceeds	-	900	-	-	-	-	-	-	-	-	-	-
State Grant for North San Pedro Housing	-	-	-	-	-	-	3,250	-	-	-	-	-
City Loan	-	-	1,699	-	-	-	-	1,700	-	-	12,800	-
Other Sale of land	-	-	-	-	-	-	-	-	-	-	-	-
Other	272	267	196	550	93	251	510	254	468	557	212	482
Total Cash Receipts	4,777	1,170	2,171	675	17,698	53,268	26,250	1,954	18,228	60,431	18,558	40,753
Cash Payments - Uses												
Capital Project Expenditures	3,465	2,291	3,038	2,146	4,912	2,858	3,756	2,837	4,955	3,133	2,292	5,684
Capital Direct Operating Costs	384	412	387	630	536	627	781	479	570	473	513	465
Capital Indirect Operating Costs	433	432	377	682	564	567	604	522	527	516	512	553
General Operating Costs	316	497	444	368	486	398	434	490	438	453	423	577
Transfer To Housing - 20% Tax Increment	-	-	-	-	3,521	10,603	4,470	-	3,552	10,713	77	4,529
Return to Wells Fargo (erroneous wire-in from 6/10)	418	-	-	-	-	-	-	-	-	-	-	-
Transfer To Fiscal Agent for Debt Service (Union Bank)	-	-	-	-	14,084	42,414	17,879	-	14,208	42,854	308	18,116
Liquidity Reserve	-	-	-	2,500	-	-	-	-	-	-	-	-
CSJ-4th St. Garage Bonds	-	1,682	-	-	-	-	-	1,700	-	-	-	-
State of CA - ERAF Loan Repayment	-	-	-	-	2,249	-	-	-	2,249	-	-	-
State of CA - SERAF Payment	-	-	-	-	-	-	-	-	-	-	12,800	-
HUD 108 Loan Interest/ Principal Payment	1,637	-	-	-	-	-	50	-	-	50	-	-
AB 1290 Pass-Through	-	-	-	-	-	3,152	40	-	-	-	-	-
Letters of Credit/ Fiscal Agent Fees	579	14	-	15	239	40	79	11	655	594	-	16
Arena Pass-Through	-	-	-	-	-	-	-	-	-	-	355	-
County Pass-through	-	-	-	-	-	-	-	-	-	-	-	-
County Administration Fee	2,027	-	-	-	-	-	-	-	-	-	-	-
Convention Center Bonds	-	11,632	-	-	-	-	-	3,626	-	-	-	-
Total Cash Payments	9,259	16,961	4,246	6,341	26,592	60,659	28,052	9,665	27,154	58,785	17,280	51,440
Monthly Activity - Net	(4,482)	(15,791)	(2,075)	(5,666)	(8,993)	(7,391)	(1,802)	(7,711)	(8,926)	1,645	1,279	(10,687)
Ending Balance	\$ 96,141	\$ 80,350	\$ 78,276	\$ 72,609	\$ 63,716	\$ 56,326	\$ 54,523	\$ 46,813	\$ 37,887	\$ 39,532	\$ 40,811	\$ 30,123